

November 2004

Books, Bytes and the Quintessential Library: Information Resources Budgeting at the University of Washington

Linda Di Biase

University of Washington Libraries, ldibiase@u.washington.edu

Follow this and additional works at: <https://docs.lib.purdue.edu/atg>



Part of the [Library and Information Science Commons](#)

Recommended Citation

Di Biase, Linda (2004) "Books, Bytes and the Quintessential Library: Information Resources Budgeting at the University of Washington," *Against the Grain*: Vol. 16: Iss. 5, Article 8.

DOI: <https://doi.org/10.7771/2380-176X.4063>

This document has been made available through Purdue e-Pubs, a service of the Purdue University Libraries. Please contact epubs@purdue.edu for additional information.

A Budget Picture: from page 26

support of student assistants for our library information technology centers (labs), media services, and other technology support activities. Funds from the fee also cover the costs of some of our big-ticket hardware and software purchases such as file servers, our online course management system, and serials linking software. This funding has enabled the **Libraries** to move forward with significant new services to support teaching and learning in spite of General Fund reductions. Funding from a special technology or library fee to support library budgets has become more common across the country.

The **Libraries** recently renegotiated the amount that it gets from the total grant overhead received by the **University**. Federal and private monies for sponsored projects have increased over the last several years and many institutions have put more effort into obtaining grants. The **UO** is seeing the level of research sponsored by grants increase steadily. The **Libraries** had received a fixed amount from grants to apply toward research support (database licenses). We now receive a fixed 3% of the grant money. These funds have been used to supplement our C&A budget and we have been able to make some major enhancements to our research database portfolio at a time when the **Libraries** are challenged to meet all budget requests.

One of our major overall strategies for balancing our budget has been to tap every possible source of existing funding. Increasingly, fundraising is becoming an important activity in our **Libraries**. We are going into fiscal year 2005 with the expectation that all S&S purchases (i.e., supplies, travel, and minor equipment) will have to come out of non-general fund sources such as income from fees and fines or gift and endowment funds. Our revenue from endowments, still a little anemic from the stock market downturn but now picking up, provides supplemental funding for a variety of purposes including \$50,000 annually for C&A.

The Budgeting Process

More than ever, budget reductions force the focus on good stewardship and modeling expenses with a multi-year view. Awareness of **University** initiatives and strategic directions in conjunction with changes in the publishing world are important for anticipating ways the current budget might need to be modified.

For example, personnel: When looking at personnel costs, you need to know not only if you have the funds to fill a vacancy for the current year, but if you will have the funds to keep the position filled in future years. For us, it has been critical to take this longer-term approach to identify how many of the currently vacant positions we must leave open permanently to prevent the necessity of layoffs in the future.


Serial subscription renewal is an area where

costs must be anticipated well in advance to allow for sufficient time for cancellation decision-making and communication to both vendors and the **University** community. Vendor supplied data is extremely valuable for projecting future collection costs. Knowing how your own local situation mirrors or differs from the vendor data and published averages, such as the Library Materials Price Index, is useful. These tools can help fine-tune planning.

Monograph funds, sometimes seen as the only sources of discretionary spending, may be scooped up to fund an emergency or unanticipated shortfall. We have been able to avoid this robbing of monograph funds. I personally would consider it a failure of the planning process if this were to happen. I rely heavily on **University** budget projections for anticipated tuition revenue based on enrollment trends. A hot topic, discussion of budget issues is intensive and extensive at **UO**. Although firm budgets are not settled until after the fourth week of fall term when tuition revenue is known, good **University** predictive tools give us a pretty close estimate as far ahead as the previous spring, so that planning for budget cuts to be implemented in November can begin months ahead.

Without a doubt, the hardest category of expense to predict is the cost of electronic resources. The products change every year with new entries into the market; old entries with enhancements; bundling or unbundling; assembling, disassembling or reassembling of buying groups; and suppliers entering or leaving the market place. "Current service level" has almost no meaning when trying to make a multi-

year projection for electronic resources. Our approach has been to anticipate as many of the changes as we can as early as we can before we set a firm budget for C&A. This happens in late spring or early summer. New products or substantial changes in existing products after the budget is set must be scaled to fit the available funds.

Over the last decade our **Libraries** have seen a 5% drop in staffing, most of that occurring during the past year. At the same time we have increased the range of services offered, better meeting the needs of our students and faculty. We have fewer subscriptions for print and electronic resources, but easier access to a broader range of content with aggregated databases and first-rate interlibrary loan and desktop delivery services. We have managed to avoid big cuts in our monograph expenditures even with this year's anticipated reduction. Our patrons have quick access to 22 million items in **Summit**, the **Orbis Cascade** catalog. In spite of the fiscal challenges, our **Libraries**, like so many others, may actually be doing a better job of supporting teaching, learning, and research. We are learning how to achieve "More, better, faster, ... and cheaper." 

Endnotes

1. Will Potter, "Senate Democrats Weigh in on College-Cost Debate," *Chronicle of Higher Education*, V.50:12, November 14, 2003, p.A22.
2. Stephen Burd, "Republican Introduces Bill to Penalize Colleges for Tuition Increases," *Chronicle of Higher Education*, V.50:9, October 24, 2003, p.A26.



Books, Bytes and the Quintessential Library: Information Resources Budgeting at the University of Washington

by Linda Di Biase (Collection Development Librarian,
University of Washington Libraries)
<ldibiase@u.washington.edu>

The other day my nineteen-year-old daughter **Diana** came to visit me at my new home. Recently a couple of new bookcases had been installed to accommodate the overflow from my bookseller friend's collection which is too large to fit into his own living space. Eyeing the voluminous rows of art books, **Diana** commented, "It really looks like a library now." So, this child of the Internet age, well aware of the array of electronic resources at her mother's institution as well her own college campus, views the quintessential library...books.

Some may cringe at such a stereotypic identification as my daughter's, but I did not rush to disabuse her of any outdated notion. Many of us came into this profession precisely because we loved books and ideas and people

and the yeasty fermentation of it all. And, many like me, who for years have had a part in creating and sustaining such a heady brew, wonder if the ingredients and methods of the future will be so changed that the drink we helped to craft will lose its fizz and disappear for good.

Let me tell you a little about the microbrewery that is the **University of Washington (UW)** and its library system. The **University** was established in 1861, making it the oldest public university on the West Coast. Under the direction of several visionary leaders, beginning with **Henry Suzzallo** whose administration (1915-1926) laid the foundation of a "university of a thousand years," it grew to its present three Puget Sound campuses and stu-

continued on page 30

Books, Bytes and ... from page 28

dent body of 11,000 graduate and professional and 31,000 undergraduate students. The UW has for many years been a top recipient of federal research dollars, and its Seattle campus library has consistently ranked among the largest fifteen ARL collections.

The picture is not uniformly rosy, however. Like other public four-year colleges and universities, the UW has seen state appropriated dollars per FTE steadily decline over the last several decades, even in times of regional prosperity. In 2003, FTE support from the state was 16% less than in 1991. Though the Western Washington economy has diversified from its earlier dependence on aerospace and timber, recent experience has shown that even the region's dominant position as "Silicon North" has not made it immune to national economic downturns. When state revenues suffer, as has been the case in the last several years, the library feels the effect in the form of financial

cuts of which a disproportionate share has come from the materials budget.

Few academic institutions have been spared the ordeal of serial cancellation projects in recent years. The UW is no exception. Over the last ten years, we have cancelled more than 8,000 serial subscriptions. Like our peers, we have also taken reductions to our monograph budgets. In addition, we have implemented cost-saving measures such as buying paper editions of approval books whenever possible. Because of changes in statistical reporting methods over the last decade at our library, the relative impact of these cuts on our monograph and serials collections is not simple to quantify. Perhaps, a more revealing inquiry is to look at the changing nature of the materials budget itself and what that budget buys.

What follows are charts representing the so-called "Main" portion of the UW-Seattle's materials budget which funds information resources for the arts, humanities, and sciences, as well as the business and professional schools, but excludes our law school and health sciences.

CHART 1

MATERIALS BUDGET	FY 1994	FY 2004
TOTAL materials budget incl. Binding	\$6,003,000	\$7,411,000
Binding budget	\$225,000	\$182,000
Document delivery & interlibrary loan fees	Paid by another budget	\$100,000
SUBTOTAL remaining for Monographs & one time purchases and Serials	\$5,778,000	\$7,129,000
% spent on Monographs & one-time purchases	30% = \$1,733,400	20% = \$1,425,800
% spent on Serials & continuations	70% = \$4,044,600	80% = \$5,703,200

CHART 2

ELECTRONIC RESOURCES	FY 1994	FY 2004
Percentage spent on Monographs & one-time purchases and Serials	1.5% = \$86,670 (estimate)	20% = \$1,464,835

CHART 3

TOTAL MATERIALS BUDGET excluding e-resources	FY 1994	FY 2004
Monographs & one-time purchases and Serials	\$5,691,330	\$5,703,200

These charts suggest several interesting points. The library's materials budget has increased substantially over a decade by almost 25%. Yet as we know, this has not eliminated the need to cancel subscriptions or to trim monograph acquisitions. One element of the budget, the amount dedicated to the binding of books and periodicals, has declined noticeably. Fa-

vorable binding contract terms, as well as a decrease in the number of serials being bound, account for this decline. A committee appointed to examine our binding needs has recently recommended that more attention be given to monograph binding. (For the record, most other preservation-related activities in our library, including in-house microfilming and mending, are

not reflected by this chart.)

Those of us who are disturbed by reported declines in monograph purchasing among ARL libraries will find the monograph/serial expenditure ratio change discouraging. To understand what these figures mean, it is important first to recognize that this ratio changes slightly at our library from year to year due to two factors: the vagaries of serials invoicing and payment (which experience has shown to have been made less rather than more predictable by our participation in Elsevier's ScienceDirect) and the fact that the library is allocated a biennial budget by the University.

The years noted in the charts are each the first of the two-year cycle. The first year is traditionally a "short" one for monograph buying, as the allocation is generally not known until several months into the year. Selectors, in the meantime, are generally hesitant to undertake significant discretionary purchasing.

Nevertheless, it is true that even though there are various explanations for an anomalous year or two, the overall trend at the UW does seem to be toward greater expenditures on the serial side. To cite one rather obvious reason, the difference in the inflation rates for books and serials, monograph acquisitions have not been impaired to quite the extent that these figures might at first glance suggest.

The real story, however, can be seen in Chart 2 and Chart 3. As compared to ten years ago, our materials budget pays for much more than tangible objects, whether books or serials. There are various factors at work here, some local and opportunistic and others that are part of a much larger set of circumstances. An example of the former is the library's response to several years of mandated cuts from the University Administration which also carried the directive that the materials budget was to be protected. How to preserve the acquisitions budget without crippling the library's operations was the unhappy dilemma facing library administrators. One solution was to move more activities formerly subsumed by the operations budget into the materials budget without transferring the requisite funds. Interlibrary borrowing and document delivery are more notable examples of this as seen in Chart 1.

Not specified in the Charts, but illustrative of the same trend, are various other non-tangibles that are now being paid from the materials budget. These include MARC records for major microform collections, subscriptions for e-journal management services such as Serials Solutions, and publisher linking initiatives such as CrossRef. As the materials component of the overall library budget is the only one expected to grow in the future on our campus (assuming continued support on the part of University Administration to provide for inflation), it is likely that even more of these non-tangibles will be funded from this source in the years to come.

By far the most significant example of non-tangible information resources acquired by the materials budget is, of course, represented by Chart 2. Electronic information was just a drop in the acquisitions bucket a decade ago, and now

continued on page 32

it represents over twenty percent of our expenditures (even more when the **Health Sciences Library** is taken into account). The impact of electronic resources on all aspects of library activities and service is tremendous, but not always obvious.

Take, for instance, the categories of monograph and serial expenditures. Undeniably, expenditures for these two formats are important for budget planning in that they presumably separate one-time from recurring expenses; higher inflating segments of the budget from those that are less volatile. These categories, however, have even less to say about the **nature** of our collections than ever before. What do our statistics on the changing ratios of monographs and serials reveal when "monographs" may include hugely expensive electronic serial backfiles and "serials" may comprise, as they do at our library, the **OCLC** transaction charges for interlibrary lending of books?

We must go behind such statistics — or devise new statistical measures — to grasp the magnitude of the changes that are underway. At the **UW**, for example, there's been no systematic attempt to answer the question, How much of this electronic information do we actually own as opposed to merely lease? From the end user's standpoint, of course, the answer is irrelevant: the important thing is that the information is there the instant it is needed. But, it is a question I believe we must ask and answer in the interest of user service. For as users have found to their dismay, it is possible for a valued resource to be here one day and gone the next while the library decides whether it can continue to pay for access or if the information aggregator loses rights to a given title in its package. Then, too, there are the host of issues relating to long-term archiving of and access to information in electronic formats.

In their introduction to the *ARL Statistics*, 2001-02, **Martha Kyrillidou** and **Mark Young** decry the decline of "the intellectual capital purchased by libraries" due not only to reduced purchasing power but also due to the degree of content duplication among electronic and print formats.² This should be a matter of great concern, even as we recognize that this issue will eventually diminish in importance as more and more information is "born digital." For me, the more compelling question is ownership of the information that makes its way to our users. At the **UW** we are committed to providing the broadest array of information resources possible to our clientele. As a research library, we cannot think only of the present, but also must keep in mind future generations of knowledge seekers. In our own small way, we are striving to maintain that "yeasty fermentation" of ideas that I alluded to at the beginning of this piece. By continuing to allocate significant funding to area studies collections, for instance, we are not only building on historic institutional strengths, but also helping to maintain access to a diversity of views that is a hallmark of free societies. In this day and age of explosive information growth in all formats, the continuing consolidation of

against the grain people profile

Linda Di Biase

Collection Development Librarian
University of Washington Libraries
Box 352900, Seattle, WA 98195-2900
Phone: (206) 543-9784 Fax: (206) 616-2380
<ldibiase@u.washington.edu>

BORN & LIVED: Pasadena, Calif. — lived in So. Cal until 1983, since then in the Seattle area.

EARLY LIFE: Happy!

FAMILY: Two daughters, ages 19 and 21.

EDUCATION: A.B., history - **Univ. of Southern Calif.**; M.L.S. - **Univ. of Southern Calif.**; M.A., history - **California State Univ., LA.**

FIRST JOB: First library job was at an *African Studies* library at **Caltech** (amazing but true!) while I attended college.

PROFESSIONAL CAREER AND ACTIVITIES: I started out in a public library in the 1970s, then moved to academic libraries. Took time out in the mid-80s to start a family, during which time I worked part-time as a corporate archivist. I have worked in collection development at the **Univ. of Washington** since 1987. Currently I coordinate collection development activities in the library and have selection/liason responsibilities for Canadian Studies, Latin American Studies, and Comparative Religion.

IN MY SPARE TIME I LIKE TO: Too many things to list! ... read, hike, sew, write (am co-authoring a book on the spirituality of friendship).

FAVORITE BOOKS: Here's just a few ... **Ronald Rolheiser's** *The Holy Longing*; **A.S. Byatt's** *Possession*; anything by **Willa Cather**.

PET PEEVES/WHAT MAKES ME MAD: Rudeness in any form, e.g., people carrying on cellphone conversations as they're being waited on at the supermarket or in restaurants.

PHILOSOPHY: As Catherine of Siena put it, "God does not ask a perfect work but unlimited desire."

MOST MEANINGFUL CAREER ACHIEVEMENT: Becoming the first librarian to head a bi-national international studies academic consortium, the **Pacific Northwest Canadian Studies Consortium**, of which I was Executive Director for 5 years in the late 1990s.

GOAL I HOPE TO ACHIEVE FIVE YEARS FROM NOW: Publish the book referenced above, and be writing another.

HOW/WHERE DO I SEE THE INDUSTRY IN FIVE YEARS: More flexible and creative packaging of electronic resources to allow libraries to craft their own collections of book chapters, journal articles, digitized images, data sets, etc., to meet needs of their constituents.



the commercial publishing sector, the decline in library purchasing power and other challenges familiar to **ATG** readers, no institution can hope to make a difference by acting alone. The **UW** is involved in various consortial endeavors to enhance the range of information resources we can provide.

We collaborate, for instance, as part of the **Orbis-Cascade Alliance**, a consortium comprising more than thirty academic libraries in the Pacific Northwest (<http://libweb.uoregon.edu/orbis/>). Formed in 2003 from the merger of Oregon-based **Orbis** and a consortium of Washington public baccalaureate institutions, the **Alliance** has a joint catalog called *Summit* with a well-developed interlibrary lending sys-

tem which facilitates the sharing of 22 million books and other information resources in the region. While in recent years the focus of academic library collaboration within Washington State has been in securing favorable terms for electronic resources, the **Alliance** is also considering other forms of cooperative collection development and management, including coordinated approval plans and a shared storage facility.

Area studies is another locus of **UW** cooperative activity. Through our participation in the **South Asia Consortium-West** (<http://www.lib.washington.edu/Southasia/sacwest/SACWestagreement00-05.htm>), an initial at-

continued on page 34

Monograph Musings from 53 Degrees North Latitude

by **Ila D. Scott** (Reference/Collections Librarian, Herbert T. Coultts Education and Physical Education Library, University of Alberta) <Ila.Scott@ualberta.ca>

and **Fred Ziegler** (Collection Development Librarian, Rutherford Humanities and Social Sciences Library, University of Alberta) <Fred.Ziegler@ualberta.ca>



The **University of Alberta (U of A)**, situated in Edmonton, Alberta, Canada, is a full service university comprising fifteen faculties offering degrees that range from the undergraduate to the doctoral level. Professional faculties include medicine and dentistry, engineering, law, pharmacy, nursing, education, rehabilitation medicine and a library school. The **University** has an enrollment of over 32,000 students and approximately 1600 full time professors.¹ It has the second largest library in Canada after the **University of Toronto**.

The **U of A** currently has six major libraries that serve the campus: Humanities and Social Sciences, Science/Technology, Health Sciences, Education, Law and a French collection at the Bibliothèque St. Jean. Administration of the six libraries is divided along STM and Liberal Arts lines. The **Association of Research Libraries (ARL)** records that the **U of A Library** holds in total 5,924,003 volumes.² In addition the **University** subscribes to 18,665 current serials and periodicals, and has 3,083,888 microforms.³ Although Acquisitions is a central department, each library has budgetary rights and responsibilities and is accorded a budget within their own locus of control. Monograph and serials allocations remain separate lines within the individual library budgets. Control is overseen through a system-wide collection development committee which reports to the library senior administrative team for final approval of allocations.

In the past few years, it has been well established that almost every academic library in North America has lamented the stresses and strains on library budgets due to the increasing demands and costs of periodicals. However, at

the **U of A** we feel that we have been very fortunate. Although the **U of A** is under the same pressures as everyone else to provide the necessary and expensive periodicals and "Big Deal" electronic journal packages, we have continued to protect the monograph side of the budget. The library has **not** allocated monograph monies into periodicals budgets simply to fill what sometimes seems like the black hole of serials inflation. Historically, the library has strived for a budget expenditure target system-wide of about 70% periodicals and 30% monographic purchases. The Science/Technology and Health Sciences libraries, of course, favour the purchase of periodicals, while the liberal arts libraries purchase more monographs. When circumstances have pressured the serials budget, the **University** central administration has provided funds to help the collection development committee right the balance again.

The **University's** enlightened administration has also actively helped to protect the total library budget from cuts. Every year for the past several years, the Library has received additional support for collections with significant increases to the base library budget and, when possible, soft dollars. Any cuts made to the library budget ("taxes") have always come from the operating side. Another significant reason that **U of A** has managed so well is the careful fiscal management that has been carried on within the unit libraries themselves. While providing the types of materials that the faculty and students want, i.e., more electronic journals and databases, the Library still manages to do that on the serials side of the budget. Print journals are cancelled where there is a viable electronic option. Not all the print holdings are bound

in order to reduce binding costs and older runs of periodical issues are sent to a remote storage facility to save shelving costs and space in campus libraries.

Careful financial management of resources is imperative, but it is almost impossible to do long range budget planning. The greatest problem for any Canadian university library is the purchasing power of the Canadian dollar. Our dollar has been as low as US \$.64 and as high as US \$.78 in the past few years. Lately, our "loonie" seems to have settled in the US mid-seventy cents range. Since over 90% of the materials purchased for the **U of A Library** are published outside of Canada, the relative strength or weakness of the dollar has a significant impact on the library's budget. The good news is that in the past couple of years with the strengthening of the Canadian dollar we have been able to purchase more materials in relative terms. Every one penny rise in the value of the Canadian dollar results in a net gain of CDN \$65,000 to the library budget's purchasing power.

Many of our serials are published by large European corporations. With the ascendancy of the Euro against the American dollar and concomitantly the Canadian dollar, serial purchases have been challenging to manage. It has been a struggle to satisfy the increasing demands of users. While consortial purchasing of electronic serials packages has really been of benefit, it is clear that economic forces beyond our control have a significant impact on collections budgets.

Although serials are getting most of the attention in library circles due to their proliferation and rapacious cost increases, it is perhaps too soon to predict the demise of the book collection. Researchers want and need print monographs as evidenced in the results of a recent British study by the **Research Support Libraries Group (RSLG)**.⁴ Commissioned by the **British Library**, four UK higher education funding bodies, and the national libraries of Scotland and Wales, this group makes recommendations for the provision of information to British researchers. In the **RSLG Final Report 2002** section entitled "What do Researchers Need?", findings strongly support a hybrid mix of journals, both print and electronic, and printed books as essential resources. With regard to the fundamental need for a book collection the researchers state that "Sixty percent of medical and biological science researchers, seventy-seven percent in the physical sciences and engineering regard printed books as an essential resource...Ninety-two percent of researchers in the arts, humanities and social sciences regard printed books as essential resources."⁵

continued on page 36

Books, Bytes and ... from page 32

tempt has been made to coordinate profiles for materials sent under the **Library of Congress Cooperative Acquisitions Program**. In addition, the **UW**, a member of the **Korean Collections Consortium of North America** (<http://www.lib.washington.edu/East-asia/korea/hmcon.html>), has special responsibility for certain areas such as women studies and modern poetry. Other members purchase according to their assignments, enriching the resources available to all.

Being an optimist by nature, my preference is to end this article on the "high" note of cooperation. But, honesty compels me to confess that I do wonder about the days ahead. I look at

our **Health Sciences Library**, so often the bellwether of change for the rest of us, and I see it winning an "adopt a book" program, so drastically has its monograph purchasing been reduced in order to finance the up-to-the-nano-second electronic tools its constituents demand. Is this our future? Must books give way everywhere to bytes? I hope not, but then I am one who is proud that my book-filled home is considered by my daughter to be a "real library."

Endnotes

1. Martha Kyriallidou and Mark Young, ed. *ARL Statistics*, 2001-2003 (Washington, D.C.: Association of Research Libraries, c2003), p.10.
2. Kyriallidou and Young, p. 13.